which several times brought us unpleasantly close to disaster.

Mr Kitson, however, uses the "Quantity Theory of Money"—the doctrine that the value or buying power of money varies according to its quantity in relation to that of the goods that it buys—chiefly as a stick wherewith to beat the Gold Standard. He shows, very easily and truly, that it is absurd to suppose that the value of the monetary gold standard is invariable. Thereby he is only beating a dead horse, for no such argument is nowadays put forward. The variability of the gold standard of value is acknowledged, whenever a fluctuation in the general level of commodity prices is recorded But gold is the basis of our credit system, and of those of all the economically civilised countries of the world, not because its value is believed to be invariable, but because it is the commodity which is universally accepted, in such countries and in normal times, in payment of debts. This quality of acceptability it has got largely by custom and convention. Mr Kitson speaks of the " selection of gold by the world's bankers as the basis for money and credit/' But it was selected as currency by common custom long before bankers were heard of. And it was selected because of its permanence, ductility and other qualities, especially its beauty as ornament,

.which made man, eager to adorn himself, his women-
kind, and the temples of his gods, always ready to
accept it in payment, knowing also that, because of
x]bds acceptability, he would always be able to ex-
change it into any goods that he wanted.